

Audit Highlights

Comprehensive Annual Financial Report
Jackson County, Tennessee
For the Year Ended June 30, 2003

Scope

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of Jackson County as of and for the year ended June 30, 2003.

Results

Our report on Jackson County's financial statements was qualified because the statements did not include a General Fixed Assets account.

Our audit resulted in 11 findings and recommendations, which we have reviewed with Jackson County management. Detailed findings and recommendations are included in the Single Audit Section of this report.

The following are summaries of the audit findings:

OFFICE OF COUNTY EXECUTIVE:

- ◆ Some purchase orders were issued after the purchases were made. Also, invoices were paid without documentation that goods had been received and/or services had been rendered.
- ◆ Ambulance Service funds were not always deposited to the bank within three days of collection, as required by state statute. In addition, prenumbered trip tickets were not used.
- ◆ Expenditures exceeded appropriations approved by the County Commission by \$15,802 in the Drug Control Fund.

OFFICE OF HIGHWAY SUPERINTENDENT:

- ◆ Fuel consumption records were not maintained for fuel dispensed from Highway Department fuel pumps. In addition, records of the quantity and use of consumable assets on hand were not maintained.
- ◆ Purchase orders were not issued for some applicable purchases.
- ◆ The Highway Department purchased commercial liability insurance coverage for \$37,902 without soliciting competitive bids.

OFFICE OF SHERIFF:

- ◆ Several forms and reports required by the Office of the Comptroller of the Treasury were not completed or prepared. In addition, transactions of the drug control funds were not reflected on the office cash journal.
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OTHER FINDINGS:

- ◆ The Offices of Clerk and Master and Sheriff did not always deposit funds to their office bank accounts within three days of collection, as required by state statute.
- ◆ The county did not inventory, value, and record its general fixed assets, as required by generally accepted accounting principles.
- ◆ County officials had not adopted a central system of accounting, budgeting, and purchasing.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of County Executive, Highway Superintendent, Director of Schools, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff.

*State of Tennessee
Comptroller of the Treasury
Department of Audit
Division of County Audit*